

114TH CONGRESS  
1ST SESSION

# H. R. 3430

To amend the Internal Revenue Code of 1986 to provide for a reduction in improper claims of refundable credits by directing the Secretary of the Treasury to ensure consistency of requirements for self and paid tax return preparers, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 29, 2015

Mr. YOUNG of Indiana introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to provide for a reduction in improper claims of refundable credits by directing the Secretary of the Treasury to ensure consistency of requirements for self and paid tax return preparers, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. REDUCTION OF IMPROPER CLAIMS.**

4 (a) EARNED INCOME CREDIT.—Section 32 of the In-  
5 ternal Revenue Code of 1986 is amended by adding at the  
6 end the following:

1       “(n) PROCEDURES TO REDUCE IMPROPER  
2 CLAIMS.—The Secretary shall ensure that all procedures  
3 and questions (as prescribed through forms and instruc-  
4 tions) used to determine eligibility for the credit allowed  
5 by this section are substantially the same regardless of  
6 method used for preparing and filing the return of tax.”.

7       (b) CHILD CREDIT.—Section 24 of the Internal Rev-  
8 enue Code of 1986 is amended by adding at the end the  
9 following:

10       “(g) PROCEDURES TO REDUCE IMPROPER  
11 CLAIMS.—The Secretary shall ensure that all procedures  
12 and questions (as prescribed through forms and instruc-  
13 tions) used to determine eligibility for the credit allowed  
14 by this section are substantially the same regardless of  
15 method used for preparing and filing the return of tax.”.

16       (c) AMERICAN OPPORTUNITY, HOPE, AND LIFETIME  
17 LEARNING TAX CREDITS.—Section 25A of the Internal  
18 Revenue Code of 1986 is amended by redesignating sub-  
19 section (j) as subsection (k) and by inserting after subjec-  
20 tion (i) the following:

21       “(j) PROCEDURES TO REDUCE IMPROPER CLAIMS.—  
22 The Secretary shall ensure that all procedures and ques-  
23 tions (as prescribed through forms and instructions) used  
24 to determine eligibility for the credit allowed by this sec-

1 tion are substantially the same regardless of method used  
2 for preparing and filing the return of tax.”.

3 (d) DUE DILIGENCE REQUIREMENTS.—Section  
4 6695(g) of the Internal Revenue Code of 1986 is amend-  
5 ed—

6 (1) by striking “section 32” and inserting “sec-  
7 tion 24, 25A, or 32”, and

8 (2) in the heading by inserting “CHILD TAX  
9 CREDIT; AMERICAN OPPORTUNITY, HOPE, AND  
10 LIFETIME LEARNING TAX CREDITS; AND” before  
11 “EARNED INCOME CREDIT”.

12 (e) EFFECTIVE DATE.—The amendment made by  
13 subsection (a) shall apply to taxable years beginning after  
14 December 31, 2015.

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